

The House Committee on Ways and Means offers the following substitute to HR 162:

A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide for limitations upon the rate of
2 increase of the assessed value of real property; to provide for a definition; to provide for
3 procedures; to provide for exceptions; to provide for the submission of this amendment for
4 ratification or rejection; and for other purposes.

5 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 SECTION 1.

7 Article IX, Section IV of the Constitution is amended by adding a new Paragraph at the end
8 thereof, to be designated Paragraph V, to read as follows:

9 "Paragraph V. *Limitations on assessed value increases for real property.* (a)

10 Notwithstanding any other provision of this Constitution to the contrary, with respect to
11 property the rate of increase in the assessed value of such property for state, county,
12 municipal, or educational ad valorem tax purposes or any combination thereof, shall not
13 exceed an aggregate of 9 percent for each three-year period of successive ownership and
14 shall not exceed from one taxable year to the succeeding taxable year the lesser of 3 percent
15 or the percent change in the rate of economic inflation on individual taxpayers as
16 determined by the state revenue commissioner. For such purpose, the state revenue
17 commissioner may use the Consumer Price Index for all urban consumers published by the
18 Bureau of Labor Statistics of the United States Department of Labor and any other reliable
19 economic indicator determined by the state revenue commissioner to be appropriate.
20 Within such three-year period, such 3 percent limitation shall operate in a cumulative
21 manner so if an increase in one year is less than 3 percent, the 3 percent cap for the next
22 succeeding year shall be increased by an amount equal to the difference in the actual
23 percentage increase in the preceding year and 3 percent.

24 (b) The limitations specified under subparagraph (a) of this Paragraph shall not apply to:

25 (1) The first year in which such real property is taxable to a new owner after a transfer
26 of ownership; provided, however that such limitations shall continue to apply without
27 interruption in cases of transfer other than at an arm's length transaction. Such cases

1 shall include transfers as a result of the death of a spouse or in cases of divorce and such
2 other similar transfers as may be provided by general law;

3 (2) New construction, additions, or improvements to real property; and

4 (3) Real property subject to Article VII, Section 1, Paragraph III (e) of this
5 Constitution."

6 **SECTION 2.**

7 The above proposed amendment to the Constitution shall be published and submitted as
8 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the
9 above proposed amendment shall have written or printed thereon the following:

10 "() YES Shall the Constitution of Georgia be amended so as to provide for
11 limitations upon the rate of increase in the assessed value of real property
12 () NO for state, county, municipal, or educational ad valorem purposes or any
13 combination thereof?"

14 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."

15 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If
16 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall
17 become a part of the Constitution of this state.